

**MINUTES OF MEETING
HERITAGE HARBOUR NORTH
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Heritage Harbour North Community Development District was held on Thursday, May 2, 2019 at 2:00 p.m., at the River Strand Golf and Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212.

Present and constituting a quorum:

Nancy Lyons	Chairperson
John Wisz	Vice Chairperson
Pauline Tasler	Assistant Secretary
Michael Fischer	Assistant Secretary
Louise Buckley	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic (phone)	District Attorney

Audience:

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

FIRST ORDER OF BUSINESS

Call to Order

District Manager James P. Ward called the meeting to order at approximately 2:08 p.m. and all Members of the Board were present at roll call including new Board Member Louise Buckley. Mr. Ward welcomed Ms. Buckley to the Board.

SECOND ORDER OF BUSINESS

Consideration of Resolution 2019-1

Consideration of Resolution 2019-1 redesignating the Members of the Board.

Mr. Ward explained with the election of Ms. Buckley the Board could be reorganized as the Board Members deemed appropriate. He noted currently Ms. Nancy Lyons served as Vice Chairperson, there was no appointed Chairperson, and the remaining Board Members served as Assistant Secretaries, while he acted as Secretary and Treasurer.

It was decided Nancy Lyons would serve as Chairperson, John Wisz would serve as Vice Chairperson, and Michael Fischer, Pauline Tasler and Louise Buckley would serve as Assistant Secretaries.

On MOTION made by Mr. Michael Fischer, seconded by Mr. John Wisz, and with all in favor, Resolution 2019-1 was adopted as above and the Chair was authorized to sign.

THIRD ORDER OF BUSINESS

Consideration of Minutes

August 2, 2018 – Regular Meeting

Mr. Ward asked if there were any additions, corrections or deletions for the August 2, 2018 Regular Meeting Minutes. Hearing none, he called for a motion.

On MOTION made by Mr. John Wisz, seconded by Ms. Pauline Tasler, and with all in favor, the August 2, 2018 Regular Meeting Minutes were approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2019-2

Consideration of Resolution 2019-2 Approving the Proposed Budget for Fiscal Year 2020 and Setting a Public Hearing for Thursday, August 1, 2019 at 2:00 P.M. at the River Stand Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212 on the Proposed Budget.

Mr. Ward stated Resolution 2019-2 approved the FY-2020 Budget and set the Public Hearing for Thursday August 1, 2019 at 2:00 p.m. at the River Strand Golf and Country Club. He noted a copy of the Budget was included in the Agenda Packet. He explained the Board was required to approve a Budget before June 15 annually for the purpose of setting a Public Hearing date, time and location. He noted the approval of the Budget did not bind the Board to any of the costs contained in the Budget or any of the programs related to the Fiscal Year 2020 Budget. He noted the General Fund (operating funds) remained the same as in FY-2019 which was \$68.75 per unit per year. He noted there was no change in the Debt Service Budget or Assessment Rates. He noted the series 2017 Bonds were refinanced in 2017 with a provision bifurcating the Bonds into two pieces, one a senior piece and the other subordinate. He noted the subordinate bonds required any excess in the revenue account be paid to the Bonds; however, this did not have any affect on the assessment rate.

Ms. Lyons asked if there was a surety bond underwriting the subordinate bond. Mr. Ward responded in the negative; surety bonds underwrote the senior bonds. Discussion ensued regarding surety bonds, surety bonds replacing cash reserves and saving costs, confusion regarding number of units, total unit count being 1870, number of condos being 637 units, and debt service reflecting a different number of units due debt service being prepaid on several units.

On MOTION made by Ms. Nancy Lyons, seconded by Ms. Pauline Tasler, and with all in favor, Resolution 2019-2 was adopted as above and the Chair was authorized to sign.

FIFTH ORDER OF BUSINESS

Consideration of Agreement

Consideration of Acceptance of the Agreement with the Manatee County Property Appraiser to utilize the Uniform Method of Collections for the District's Assessments.

Mr. Ward explained this was an Agreement the District entered into when first established as required by law. He noted the new Agreement updated daily operation terms by identifying Mr. Ward's responsibilities; it did not change the fees paid to the Property Appraiser or Tax Collector (1.5% to each for the amount collected). He stated the Property Appraiser and Tax Collector requested this new Agreement and indicated the Agreement could not be altered in any way.

On MOTION made by Mr. Michael Fischer, seconded by Ms. Louise Buckley, and with all in favor, the Agreement with the Manatee County Property Appraiser to utilize the Uniform Method of Collections for the District's Assessments was accepted.

SIXTH ORDER OF BUSINESS**Consideration of Audited Financial Statement****Consideration of Acceptance of the Audited Financial Statement for the Fiscal Year ended September 30, 2018.**

Ms. Michelle McIntosh with Grau & Associates reviewed the Audited Financial Statement for the Fiscal Year ended September 30, 2018. She stated Grau & Associates had an unmodified/clean opinion of the Financial Statements, which meant the Financial Statements were presented fairly in all respects. She stated page 9 was the Balance Sheet and showed the Total Fund Balance to be approximately \$998,916 dollars, consisting of a General Fund balance of \$23,425 dollars and Debt Service Fund balance of \$975,491 dollars. She noted the General Fund balance was unassigned and available for spending at the District's discretion; however, the Debt Service Fund balance was restricted for Debt Service and could not be used for any other purpose. She stated Page 11 was the Statement of Revenues, Expenditures and Changes in Fund Balances which showed the net changes in the fund balances for the Fiscal Year ended: the General Fund balance increased by \$6,149 dollars, the Debt Service decreased its fund balance by approximately \$134,329 dollars, and the Capital Projects Fund reduced its fund balance by \$14,198 dollars. She reported page 22 was the Budget to Actual Report for the General Fund which showed District budgeted revenues of \$112,198 dollars and actual revenues just under \$105,000 dollars. She stated the original budget appropriated \$112,198 dollars for expenditures and only \$97,900 dollars were actually spent. She stated page 24 was Grau's report on the District Internal Control over Financial Reporting and Compliance and she was happy to report the Audit did not detect any material weaknesses, significant deficiencies, or other findings in the Internal Controls. She noted Page 26 was Grau's report on the District's Compliance with Florida Statute 218.415 and Grau believed the District complied in all material respects with the requirements of Florida Statue 218.415. She stated page 28 of the report indicated there were no current year findings or recommendations for the Fiscal Year ended September 30, 2018.

Ms. Lyons noted page 28 indicated the District had not met the financial emergency conditions. She asked what this meant. Ms. McIntosh explained the Financial Statements indicating the District "had not met one of the financial emergency conditions" was in fact positive as it meant the District had not had a financial emergency in which it did not respond properly.

On MOTION made by Ms. Louise Buckley, seconded by Ms. Nancy Lyons, and with all in favor, the Agreement with the Audited Financial Statement for the Fiscal Year ended September 30, 2018 was accepted for inclusion in the record.

SEVENTH ORDER OF BUSINESS

Staff Reports

Staff Reports

a) District Attorney

District Attorney Greg Urbancic noted there were bills being passed in the State Legislature which would change the manner in which notice was required to be given. He explained the bill would no longer require published notice in the newspaper. He discussed other bills which might possibly be passed and indicated he would provide a more detailed update once the Legislative Session was completed.

b) District Engineer

No Report.

c) District Manager

- I. Financial Statements for the month ended March 31, 2019**
- II. Report on Number of Registered Voters in the District**

Mr. Ward reported there were 1,938 registered voters in the District; however, this would not affect the District as the CDD had previously transitioned to a fully qualified elector-based election. He noted no action was required of the Board. He explained he was providing this information to the Board as a matter of law.

EIGHTH ORDER OF BUSINESS

Supervisor’s Requests and Audience Comments

There were no Supervisor’s Requests and no Audience Comments; no Audience was present.

NINTH ORDER OF BUSINESS

Adjournment


Mr. Ward adjourned the meeting at approximately 2:30 p.m.

On MOTION made by Ms. Nancy Lyons, seconded by Mr. John Wisz, and with all in favor, the Meeting was adjourned.

Heritage Harbour North
Community Development District



James P. Ward, Secretary



Nancy Lyons, Chairperson